

RECORDATION NO 26622-B FILED

DEC 17 '09

5-00 PM

SURFACE TRANSPORTATION BOARD

612.672.4200
612.672.8397

STB.MASLON.COM

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3300 WELLS FARGO CENTER
90 SOUTH SEVENTH STREET
MINNEAPOLIS, MINNESOTA
55402-4140

December 16, 2009

Mark Klos

Direct Phone: (612) 672-8346

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mark.klos@maslon.com

VIA OVERNIGHT MAIL

Chief, Section of Administration,
Office of Proceedings,
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

Dear Sir or Ma'am:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 1177.3 are an Original Memorandum of Security Agreement dated as of July 1, 2009 and a certified true copy of the Memorandum of Security Agreement dated as of July 1, 2009, which includes a list of additional collateral to be recorded *as a secondary document to the original Memorandum of Security Agreement dated June 1, 2006 and filed as STB Recordation Number 26622.*

The names and addresses of the parties to the enclosed document are:

Secured Party: BNC National Bank
322 East Main
Bismarck, ND 58501

Debtor: Dakota Missouri Valley & Western
Railroad, Inc.
1131 S. 22nd Street
Bismarck, ND 58504

A description of the railroad equipment covered by the enclosed document is:

Twenty-five (25) locomotives marked DMVW taken as additional collateral. See the attached *Exhibit A-1* for specific car numbers.

A short summary of the document to appear in the index is:

Memorandum of Security Agreement – Adding Collateral.



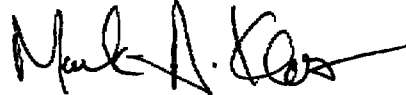
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Please also find enclosed a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Please return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mark A. Klos", with a long horizontal flourish extending to the right.

Mark A. Klos

Enclosures

DEC 17 '09

5-00 PM MEMORANDUM OF SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF SECURITY AGREEMENT is made and entered into as July 1, 2009, by and between **DAKOTA, MISSOURI VALLEY AND WESTERN RAILROAD, INC.**, a North Dakota corporation, as debtor (herein called the "**Debtor**") and **BNC NATIONAL BANK** (herein, with its participants, successors and assigns, called the "**Lender**"), as secured party.

The Debtor has requested the Lender to make loans to the Debtor pursuant to that certain Loan Agreement by and between the Debtor and Lender dated June 1, 2006, as amended (the "Loan Agreement").

As consideration for the loans which have been or will be made to the Debtor pursuant to the Loan Agreement, the Debtor has executed that certain Security Agreement in favor of the Lender, dated June 1, 2006, and amended as of the date hereof to add additional Collateral (as so amended, the "Security Agreement"), and granted to the Lender a security interest in, among other things, all of the following properties, assets and rights of the Debtor, wherever located, whether now owned or hereafter acquired and (i) all accessions, additions and improvements to, replacements of and substitutions for any of the following; (ii) all products and proceeds thereof; and (iii) all books, records and data, in any form, relating to the railway rolling stock consisting primarily of the additional locomotives and/or rail cars described on *Exhibit A-1* attached hereto (the "Collateral").

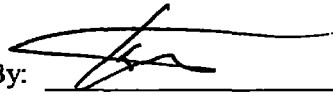
As contemplated by the Security Agreement, the Lender and Debtor hereby make this Memorandum of Security Agreement to confirm and perfect the Lender's security interest in the Collateral. The Lender and Debtor further acknowledge and confirm that this Memorandum of Security Agreement is not a summary of the Security Agreement, nor a complete recitation of the terms and provisions thereof. According, the Lender and Debtor agree that in the event of a conflict between this Memorandum of Security Agreement and the provisions of the Security Agreement, the provisions of the Security Agreement shall control.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, this Memorandum of Security Agreement has been duly executed and delivered by the proper officers thereunto duly authorized on the day and year first above written.

LENDER:

BNC NATIONAL BANK

By: 

Name: Chad Scott

Title: Senior Vice President

DEBTOR:

DAKOTA, MISSOURI VALLEY AND WESTERN
RAILROAD, INC., a North Dakota Corporation

By: 

Name: Larry Wood

Title: President

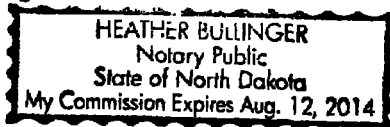
By: 

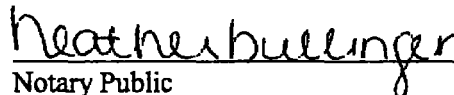
Name: Derrick Bosch

Title: Chief Financial Officer

STATE OF North Dakota)
) ss.
COUNTY OF Burleigh)

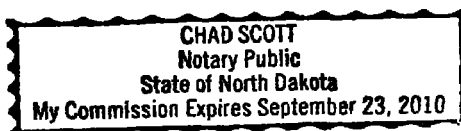
On this 21 day of July, 2009, before me, personally appeared Chad Scott, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of BNC National Bank, that said instrument was signed on behalf of said banking corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.




Notary Public

STATE OF North Dakota)
) ss.
COUNTY OF Burleigh)

On this 21 day of July, 2009, before me, personally appeared Larry Wood, to me personally known, who being by me duly sworn, says that he is the President of Dakota, Missouri Valley and Western Railroad, Inc., a North Dakota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

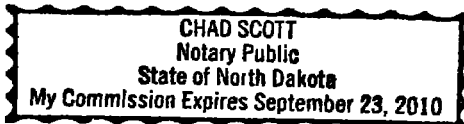



Notary Public

STATE OF North Dakota)
) ss.
COUNTY OF Burleigh)

Derrick Bosch

On this 21 day of July, 2009, before me, personally appeared ~~Larry Wood~~, to me personally known, who being by me duly sworn, says that he is the Chief Financial Officer of Dakota, Missouri Valley and Western Railroad, Inc., a North Dakota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



A handwritten signature in ink, appearing to be "Derrick Bosch", written over a horizontal line.

Notary Public

Exhibit A-1

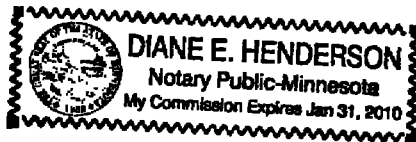
Collateral Description


Item	Year	Model/Description	DMVW Road Number
1.	1964	EMD Model GP-35'S 1750 HP Diesel Electric	DMVW 324
2.	1965	EMD Model GP-35'S 2500 HP Diesel Electric	DMVW 862
3.	1963	EMD Model GP 20'S Locomotive	DMVW 2049
4.	1963	EMD Model GP 20'S Locomotive	DMVW 3043
5.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6306
6.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6315
7.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6326
8.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6327
9.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6347
10.	1979	EMD Model GP 35'M Diesel Electric	DMVW 6354
11.	1971	EMD Model GP 40-2 Locomotive	DMVW 9406
12.	1976	EMD Model GP 40-2 Locomotive	DMVW 9413
13.	1976	EMD Model GP 40-2 Locomotive	DMVW 9442
14.	1976	EMD Model GP 40-2 Locomotive	DMVW 9485
15.	1974	EMD Model GP 40-2 Locomotive	DMVW 9504
16.	1975	EMD Model GP 40-2 Locomotive	DMVW 9603
17.	1976	EMD Model GP 40-2 Locomotive	DMVW 9658
18.	1969	EMD SD45 Diesel Electric Locomotive	DMVW 7505
19.	1969	EMD SD45 Diesel Electric Locomotive	DMVW 7510
20.	1969	EMD SD45 Diesel Electric Locomotive	DMVW 7517
21.	1983	EMD SD 50F Locomotive	DMVW 5404
22.	1983	EMD SD 50F Locomotive	DMVW 5408
23.	1983	EMD SD 50F Locomotive	DMVW 5439
24.	1983	EMD SD 50F Locomotive	DMVW 5451
25.	1983	EMD SD 50F Locomotive	DMVW 5454

STATE OF MINNESOTA

COUNTY OF HENNEPIN, ss:

In accordance with 49 CFR 1177.3(b)(1), on this 13th day of November, 2009, I hereby certify that I compared the attached copy of the MEMORANDUM OF SECURITY AGREEMENT with the original MEMORANDUM OF SECURITY AGREEMENT and I have found the copy to be complete and identical in all respects to the original document.




Diane Henderson, Notary Public